

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

Case No. 14-52261

PROPER BUILDING SERVICES, INC.,

Chapter 11

Debtor.

Judge Thomas J. Tucker

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**ORDER REQUIRING DEBTOR TO AMEND DISCLOSURE STATEMENT**

On February 4, 2015, the Debtor filed a plan and disclosure statement, in a document entitled “Third Amended Combined Plan and Disclosure Statement” (Docket # 61) (sometimes referred to in this Order as the “Third Amended Plan”). The Court cannot yet grant preliminary approval of the disclosure statement contained within this document (“Disclosure Statement”). The Court notes the following problems, which the Debtor must correct.

First, in Paragraph 37 on page 8 of the Plan defining “New Value,” Debtor must delete the words “two years.”

Second, on pages 8-9 of the Plan, Debtor must make the following changes to the paragraphs describing the treatment of the Class 1 claim of the United States of America/IRS:

- Regarding the \$152,971.81 portion of the Class 1 claim, Debtor must state when the 50 equal monthly payments of \$2,450.00 will begin.
- Regarding the \$56,112,42 portion of the Class 1 claim, Debtor must state on what day of the 51st month following the Effective Date payments will begin.
- Debtor must replace “Service” in the 3 places where it occurs with “IRS.”

Third, during the hearing on February 4, 2015, regarding confirmation of Debtor’s proposed Second Amended Plan (Docket # 51), Debtor’s counsel stated that Debtor had reached a settlement with all parties who had objected to confirmation of the Second Amended Plan, including the State of Michigan, Department of Treasury (“Treasury”); and that Debtor would file a Third Amended Plan to incorporate the terms of the settlements with all of the objecting parties. Debtor filed the Third Amended Plan (Docket # 61), but Treasury already has filed objections to it (Docket # 64), indicating that the Third Amended Plan does not accurately reflect any settlement between Debtor and Treasury. If Debtor reached a settlement with Treasury, but has failed to accurately incorporate the terms of such settlement into the Third Amended Plan, Debtor must correct this. But if Debtor in fact has not reached a settlement with Treasury, Debtor must say so.

Accordingly,

IT IS ORDERED that no later than **February 12, 2015**, Debtor must file an amended combined plan and disclosure statement that is consistent with this Order, and entitle it “Fourth Amended Combined Plan and Disclosure Statement.”

IT IS FURTHER ORDERED that no later than **February 12, 2015**, Debtor also must file a redlined version of the amended combined plan and disclosure statement, showing the changes Debtor has made to Debtor’s “Third Amended Combined Plan and Disclosure Statement” filed February 4, 2015.

**Signed on February 10, 2015**

/s/ **Thomas J. Tucker**

**Thomas J. Tucker**

**United States Bankruptcy Judge**